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*Special Counsel to Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:
PG&E CORPORATION,
-and-
PACIFIC GAS & ELECTRIC COMPANY,
Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in Lead Case No.
19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**SUMMARY SHEET TO SECOND
INTERIM FEE APPLICATION OF
COBLENTZ PATCH DUFFY & BASS LLP
FOR ALLOWANCE AND PAYMENT OF
COMPENSATION AND
REIMBURSEMENT OF EXPENSES
(OCTOBER 1, 2019 THROUGH
JANUARY 31, 2020)**

Date: TBD

Time: TBD

Place: United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

Judge: Hon. Dennis Montali

Objection Deadline: April 6, 2020 at
4:00 p.m. (Pacific Time)

GENERAL INFORMATION

Name of Applicant: Coblentz Patch Duffy & Bass LLP

Authorized to Provide Professional Services to: Special Counsel to Debtors and Debtors in Possession

Petition Date: January 29, 2019

Retention Date: July 11, 2019 *nunc pro tunc* to January 29, 2019

Prior Applications: Coblentz's First Interim Fee Application filed November 14, 2019 [Dkt. No. 2595]

SUMMARY OF FEES AND EXPENSES SOUGHT IN THIS APPLICATION

Amount of Compensation Sought as Actual, Reasonable, and Necessary: **\$748,895.37¹**

Amount of Expense Reimbursement Sought as Actual, Reasonable, and Necessary: **\$11,092.98**

Total Compensation and Expenses Requested for the Compensation Period: **\$759,988.35²**

SUMMARY OF PRIOR MONTHLY FEE STATEMENTS

Date Filed	Period Covered	Requested Fees	Requested Expenses	Paid Fees	Paid Expenses	Holdback Fees Requested
08/23/19 [Dkt. No. 3679]	1/29/19 – 2/28/19	\$80,809.70	\$974.15	\$64,647.76	\$974.15	\$16,161.94
08/28/19 [Dkt. No. 3741]	3/1/19 – 3/31/19	\$124,443.40	\$1,180.37	\$99,554.72	\$1,180.37	\$24,888.68
08/28/19 [Dkt. No. 3742]	4/1/19 – 4/30/19	\$162,499.20	\$163.09	\$129,999.36	\$163.09	\$32,499.84
08/30/19 [Dkt. No. 3763]	5/1/19 – 5/31/19	\$178,126.20	\$7,208.81	\$142,500.96	\$7,208.81	\$35,625.24
08/30/19 [Dkt. No. 3765]	6/1/19 – 6/30/19	\$148,515.80	\$1,256.60	\$118,812.64	\$1,256.60	\$29,703.16
08/30/19 [Dkt. No. 3771]	7/1/19 – 7/31/19	\$93,200.68	\$0.00	\$74,560.54	\$0.00	\$18,640.14
09/30/19 [Dkt. No. 4038]	8/1/19 – 8/31/19	\$124,991.08	\$1,546.10	\$99,992.86	\$1,546.10	\$24,998.22
10/31/19 [Dkt. No. 4528]	9/1/19 – 9/30/19	\$113,228.46	\$5,266.00	\$90,582.77	\$5,266.00	\$22,645.69
First Interim Fee Application [Dkt. No. 2595]		\$1,025,814.52	\$17,595.12	\$820,651.61	\$17,595.12	\$205,162.91

¹ Does not include the fees described in Coblentz's Supplemental Eleventh Monthly Fee Statement filed March 6, 2020 [Dkt. No. 6169]. Applicant intends to include the fees from that Supplemental Fee Statement in the next Fee Application it files in these Bankruptcy Cases.

² See Footnote. 1.

Date Filed	Period Covered	Requested Fees	Requested Expenses	Paid Fees	Paid Expenses	Holdback Fees Requested
12/02/2019 [Dkt. No. 4935]	10/1/19 – 10/31/19	\$203,435.19	\$2,451.45	\$162,748.15	\$2,451.45	\$40,687.04
12/31/19 [Dkt. No. 5227]	11/1/19 – 11/30/19	\$201,068.68	\$3,854.63	\$160,854.94	\$3,854.63	\$40,213.74
1/31/2020 [Dkt. No. 5573]	12/1/19 – 12/31/19	\$142,549.20	\$1,525.20	\$114,039.36	\$1,525.02	\$28,509.84
2/28/2020 [Dkt. No. 5959]	1/1/2020 – 1/31/2020	\$201,842.30	\$3,261.70	\$0.00	\$0.00	\$40,368.46
Second Interim Fee Application		\$748,895.37	\$11,092.98	\$437,642.45	\$7,831.10	\$149,779.08

Summary of Any Objections to Monthly Fee Statements: **None**

Compensation and Expenses Sought in this Interim Application Not Yet Paid: **\$149,779.08³**

**COMPENSATION BY PROFESSIONAL
OCTOBER 1, 2019 THROUGH JANUARY 31, 2020**

The Coblentz attorneys and paraprofessionals who rendered legal services in these Chapter 11 Cases during the Interim Fee Period are:

Name of Professional	Position	Primary Practice Group ⁴	Year Admitted	Reduced Hourly Rate for Debtors 2019/2020	Total Hours Billed	Total Compensation
Barbara Milanovich	Partner	RE	1980	\$648.00/\$700.00	329.00	\$217,288.80
Doug Sands	Partner	RE	1987	\$648.00/\$700.00	312.20	\$203,670.17
Sean Coyle	Partner	LIT	2004	\$500.00/\$600.00	88.00	\$45,530.00
Harry O'Brien	Partner	RE	1984	\$900.00/\$950.00	0.60	\$540.00
Ficks, Gregg	Partner	BCR/LIT	1990	\$623.00/\$704.00	71.00	\$45,180.70

³ Assumes Applicant receives payment on its Twelfth Monthly Fee Statement (for January 2020) [Dkt. No. 5959] on, or prior to, the hearing on this Application. This figure does not include the fees in Coblentz's Supplemental Eleventh Monthly Fee Statement filed March 6, 2020 [Dkt. No. 6169]. Applicant intends to include the fees from that Supplemental Monthly Fee Statement in the next Fee Application it files in these Bankruptcy Cases.

⁴ RE = Real Estate; LIT = Litigation; BCR = Bankruptcy and Creditors' Rights; CORP = Corporate

Name of Professional	Position	Primary Practice Group ⁴	Year Admitted	Reduced Hourly Rate for Debtors 2019/2020	Total Hours Billed	Total Compensation
Robert B. Hodil	Counsel/ Partner	RE	2003	\$520.00/\$610.00	11.00	\$6,008.00
Mark Hejinian	Associate/ Partner	LIT	2011	\$400.00/\$500.00	74.80	\$31,290.00
James F. McKee	Associate	LIT	2014 (TX); 2019 (CA)	\$400.00/\$422.00	190.60	\$77,256.40
Daniel P. Barsky	Associate	RE	2017	\$334.00/\$405.00	190.80	\$67,873.60
Caitlyn N. Chacon	Associate	RE	2013	\$0.00/\$440.00	15.40	\$6,776.00
Jessica N. Wilson	Associate	TAX	2018	\$0.00/\$396.00	0.90	\$356.40
Michael R. Wilson	Paralegal	RE	N/A	\$302.00/\$352.00	92.70	\$28,865.40
Gino Altamirano	Paralegal	RE	N/A	\$248.00/\$299.00	0.60	\$179.40
Jordan V. Mendoza	Paralegal	LIT	N/A	\$250.00/\$250.00	9.70	\$2,425.00
Dianne M. Sweeny	Paralegal	RE	N/A	\$210.00/\$210.00	29.80	\$6,258.00
Viet Doan	Paralegal	LIT	N/A	\$175.00/\$175.00	53.70	\$9,397.50
Total Professionals:					1,470.80	\$748,895.37

PROFESSIONALS TOTALS	BLENDED RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
Partners and Counsel	\$636.06	825.50	\$525,067.67
Associates	\$385.14	458.80	\$176,702.40
Blended Attorney Rate	\$546.42	1,284.30	\$701,770.07
Paraprofessionals and other non-legal staff	\$252.68	186.50	\$47,125.30
Total Fees Incurred	\$509.18	1,470.80	\$748,895.37

**COMPENSATION BY WORK TASK CODE
OCTOBER 1, 2019 THROUGH JANUARY 31, 2020⁵**

The following Task Codes and Descriptions were used by Coblentz in conjunction with pre-petition time entries and invoices as required by Debtors prior to the filing of these Bankruptcy Cases. Coblentz has continued to use these Task Codes and Descriptions in conjunction with post-petition time entries and invoices in these Special Counsel matters.

TASK CODE	DESCRIPTION	HOURS	AMOUNT
C100	Fact Gathering	116.80	\$33,970.40
C200	Researching Law	2.60	\$1,481.00
L110	Fact Investigation/Development	105.70	\$42,676.00
L120	Analysis/Strategy	47.90	\$22,799.00
L130	Experts/Consultants	10.40	\$5,512.00
L143	eDiscovery - Identification and Preservation	0.90	\$450.00
L200	Pre-Trial Pleadings and Motions	18.40	\$9,090.00
L310	Written Discovery	41.50	\$19,664.20
L330	Depositions	92.80	\$37,947.40
L400	Trial Preparation and Trial	0.70	\$420.00
L620	Collection	1.90	\$760.00
L630	Processing	1.30	\$325.00
L650	Review	43.60	\$15,007.60
L654	Second Pass Document Review	3.30	\$1,630.00
L655	Privilege Review	1.90	\$801.80
L656	Redaction	0.90	\$356.40
L670	Production	52.80	\$11,958.90
L800	Experts/Consultants	4.00	\$1,688.00
P100	Project Administration	218.70	\$144,583.10
P220	Tax	0.90	\$356.40
P240	Real and Personal Property	214.20	\$82,537.60
P280	Other	0.80	\$140.00
P300	Structure/Strategy/Analysis	223.30	\$142,936.97
P400	Initial Document Preparation/Filing	168.40	\$108,308.00

⁵ See footnote 1.

TASK CODE	DESCRIPTION	HOURS	AMOUNT
P500	Negotiation/Revision/Responses	61.70	\$40,448.80
P600	Completion/Closing	31.30	\$20,365.60
P700	Post-Completion/Post/Closing	0.80	\$518.40
P800	Maintenance and Renewal	3.30	\$2,159.20
Total:		1,470.80	\$748,895.37

In addition, in order to facilitate the Court's, the United States Trustee's, the Fee Examiner's, and parties' review of the fees for which Coblentz seeks approval and payment hereunder in the context of this Interim Fee Application, Coblentz provides the following *alternative* Task (Matter Code) Table, which Table segregates the Special Counsel matters Coblentz has handled for the Debtors during the Interim Fee Period by the Coblentz Matter Name/Matter Number for such matters. *The following table reflects the same hours and same amounts as the preceding Task Code Table, but is organized in a different format that Coblentz believes is more consistent with the applicable Guidelines:*

ALTERNATIVE TASK (MATTER) COMPENSATION TABLE
FOR OCTOBER 01, 2019 THROUGH JANUARY 31, 2020⁶

TASK (MATTER) CODE	DESCRIPTION	HOURS	AMOUNT
02898-110	General Real Estate	6.20	\$4,017.60
02898-357	Land Stewardship	202.30	\$130,615.39
02898-376	Hinkley CA Purchases	85.00	\$28,936.80
02898-465	Marina Project, San Francisco	1.70	\$1,101.60
02898-799	Contract Review - Real Estate / Shared Services	151.90	\$100,093.80
16213-045	Richmond Substation S Land Sale	89.40	\$43,077.20
16213-047	Lyons Land and Cattle, Merced	15.30	\$10,096.40
16213-056	CPUC Regulatory Investigation	9.20	\$4,600.00
16213-058	LCC Conservation Easement Compliance	15.20	\$10,539.98
16213-060	DWR - Oroville Dam	421.90	\$167,524.90

⁶ See footnote 1.

TASK (MATTER) CODE	DESCRIPTION	HOURS	AMOUNT
16213-089	General Advice and Counsel - Surplus Disposition	32.10	\$20,941.20
16213-101	Bankruptcy Special Counsel-Related Services	77.10	\$48,970.70
16213-106	Local Community Energy Fire Resiliency	7.70	\$5,353.60
16213-111	Antioch Dunes Purchase Option	23.60	\$12,194.20
16213-112	Moller Conservation Easement Option	151.60	\$66,791.50
16213-113	Bankruptcy Exit Financing	12.20	\$7,942.00
16213-114	PG&E Hydro Facilities Transfers	100.20	\$44,769.50
16213-115	Real Property Sale Pre-Work	20.60	\$13,500.00
16213-117	Black Ranch Road, Burney	6.30	\$3,842.20
16213-118	Windy Hollow, Mendocino	12.00	\$4,927.60
16213-120	Sonoma County Conservation Easement	18.10	\$12,670.00
Total:		1,470.80	\$748,895.37

EXPENSE SUMMARY
OCTOBER 1, 2019 THROUGH JANUARY 31, 2020

The expenses incurred by the Debtors and billed by Coblenz to the Debtors in connection with the Special Counsel matters Coblenz has been handling during the Interim Fee Period are as follows:

EXPENSES	AMOUNTS
Computerized Research	N/A
Meals	N/A
Travel	N/A
Transportation	N/A
Duplicating	N/A
Transcription (Deposition) Services	N/A
Third Party Consulting Fees	N/A
Telephone Conferencing	N/A
Messenger	\$59.00
Filing Fees	N/A
Litigation Support Vendors	N/A
Process Service	\$180.00
Court Reporter	\$10,853.98
Court Website Subscription Fee for Case No. JCCP4974	N/A
Total Expenses Requested:	\$11,092.98

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*Special Counsel to Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:
PG&E CORPORATION,
-and-
PACIFIC GAS & ELECTRIC COMPANY,
Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in Lead Case No.
19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**SECOND INTERIM FEE APPLICATION
OF COBLENTZ PATCH DUFFY & BASS
LLP FOR ALLOWANCE AND PAYMENT
OF COMPENSATION AND
REIMBURSEMENT OF EXPENSES
(OCTOBER 1, 2019 THROUGH
JANUARY 31, 2020)**

Date: TBD

Time: TBD

Place: United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

Judge: Hon. Dennis Montali

Objection Deadline: April 6, 2020 at
4:00 p.m. (Pacific Time)

Coblentz Patch Duffy & Bass LLP (“**Coblentz**” or the “**Firm**”), Special Counsel to PG&E Corporation and Pacific Gas and Electric Company (the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), hereby submits its Second Interim Fee Application (the “**Interim Application**”) for allowance and payment of compensation for professional services rendered and for reimbursement of actual and necessary expenses incurred for the period commencing October 1, 2019, through January 31, 2020 (the “**Interim Fee Period**”), pursuant to the *Order Pursuant to 11 U.S.C. §§ 331 and 105(a) and Fed. R. Bankr. P. 2016 for Authority to Establish Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*, entered on February 27, 2019 [Docket No. 701] (the “**Interim Compensation Procedures Order**”), sections 330 and 331 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), the *Guidelines for Compensation and Expense Reimbursement of Professionals and Trustees* (the “**Northern District Guidelines**”), the *United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330* (the “**UST Guidelines**”), and the Local Bankruptcy Rules for the Northern District of California.

The Interim Application is based upon the points and authorities cited herein, the Certification of Gregg M. Ficks filed concurrently herewith, the exhibits attached hereto and/or thereto, the pleadings, papers, and records on file in this case, and any evidence or argument that the Court may entertain at the time of the hearing on the Interim Application.

CASE BACKGROUND AND STATUS

A. The Debtors’ Bankruptcy Proceedings

The Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code on January 29, 2019 (the “**Petition Date**”). The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed.

On February 12, 2019, the Office of the United States Trustee for the Northern District of California (the “**U.S. Trustee**”) appointed an Official Committee of Unsecured Creditors in the Debtors’ cases (the “**Creditors’ Committee**”). On February 15, 2019, the U.S. Trustee appointed

1 an Official Committee of Tort Claimants (the “TCC”). On May 29, 2019, upon the request of the
2 U.S. Trustee, the Court appointed Professor Bruce A. Markell as the fee examiner in these Chapter
3 11 Cases (the “Fee Examiner”).

4 Based on information and belief, a description of the Debtors’ business, capital structure,
5 and the circumstances leading to the filing of these Chapter 11 Cases is set forth in the *Amended*
6 *Declaration of Jason P. Wells in Support of First Day Motions and Related Relief* [Docket No.
7 263].

8 **B. The Debtors’ Retention of Coblentz**

9 On July 11, 2019, the Court entered the *Order Authorizing Debtors Pursuant to 11 U.S.C.*
10 *§ 327(a) and Fed. R. Bankr. P. 2014(a) and 2016 to Retain and Employ Coblentz Patch Duffy &*
11 *Bass LLP Nunc Pro Tunc to the Petition Date* [Docket No. 2926] (the “Retention Order”). A
12 copy of the Retention Order is attached hereto as **Exhibit A**.

13 The Retention Order authorizes the Debtors to compensate and reimburse the Firm
14 pursuant to the Bankruptcy Code, the Bankruptcy Rules, the Northern District Guidelines, and the
15 Interim Compensation Order. Subject to the Firm’s application to the Court, the Debtors also are
16 authorized by the Retention Order to compensate Coblentz for services performed at hourly rates
17 that Coblentz has discounted for the Debtors as described in the application seeking the Firm’s
18 employment [Docket No. 2595], and to reimburse Coblentz for actual and necessary expenses
19 incurred.

20 The Retention Order authorizes Coblentz to provide the following services to the Debtors:

- 21 • advise and represent PG&E in real estate purchase and sale transactions and matters,
22 lease transactions and matters, and related or similar work, as further described in the
23 Debtor’s Application to retain Coblentz as Special Counsel (the “Retention
24 Application”) and the Declarations of Gregg M. Ficks filed in support thereof (the
25 “Ficks Declarations”);
- 26 • advise and represent PG&E in land conservation commitment transactions and matters,
27 and related or similar work, as further described in the Retention Application and the
28 Ficks Declarations;

- advise and represent PG&E in litigation, investigatory, and regulatory matters, including in the DWR Matter, and related or similar work, as further described in the Retention Application and the Ficks Declarations;
- advise and represent PG&E in the Ex Parte OII Matter, and related or similar work, as further described in the Retention Application and the Ficks Declarations; and
- perform any other necessary legal services requested by the Debtors, and accepted by Coblentz, during the pendency of these Chapter 11 cases.

C. Professional Compensation and Reimbursement of Expenses Requested

By this Interim Application, the Firm seeks interim allowance of compensation in the amount of \$748,895.37, and allowance of actual and necessary expenses in the amount of \$11,092.98, for a total allowance of \$759,988.35.¹

By this Interim Application, Coblentz further seeks Court approval and authority for Debtors to make payment of the \$149,779.08 hold-back amount accrued during the Interim Fee Period (*i.e.*, Coblentz requests approval and authority for the Debtors to make payment of the remaining 20 percent of the total fees requested herein that the Debtors held-back from payment to Coblentz during the Interim Fee Period in accordance with the Interim Compensation Procedures Order).

All services for which Coblentz requests compensation were performed for or on behalf of the Debtors. Coblentz has received no payment and no promises for payment from any source other than the Debtors for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Interim Application.

There is no agreement or understanding between Coblentz and any other person other than the partners of Coblentz for the sharing of compensation to be received for services rendered by Coblentz in these cases. As of the Petition Date, the Firm had no retainer from, or balance owing to, the Debtors. In connection with the Special Counsel matters for which Coblentz has been

¹ These amounts do not include fees described in Coblentz's Supplemental Eleventh Monthly Fee Statement filed March 6, 2020 [Dkt. No. 6169]. Applicant intends to include the fees from that Supplemental Fee Statement in the next Fee Application it files in these Bankruptcy Cases.

1 retained in these Chapter 11 Cases, as of this date Coblentz has been paid \$1,258,294.06 in post-
2 petition fees and reimbursed \$25,426.22 in post-petition expenses, and Coblentz anticipates
3 receiving payment of \$161,473.84 in post-petition fees and \$3,261.70 in post-petition expenses on
4 account of its Twelfth Monthly Fee Statement (for January 2020 Invoices) [Dkt. No. 5959] on, or
5 prior to, the hearing on this Application. For the Fee Period covered by this Second Interim Fee
6 Application, \$599,116.29 in fees and \$11,092.98 in costs (\$610,209.27 combined) have been paid,
7 or will be paid, to Coblentz prior to the hearing on this Interim Fee Application pursuant to the
8 Interim Compensation Procedures Order, but the Court has not yet reviewed these fees and costs
9 for allowance. By this Interim Fee Application, Coblentz requests allowance of those amounts,
10 and allowance and authority for the Debtors to pay the 20 percent fee holdback amount
11 (\$149,779.08) that has been held-back pursuant to the Interim Compensation Procedures Order,
12 for a total requested allowance and remaining payment of fees and costs for the Interim Fee Period
13 in the sum of \$759,988.35.

14 The Firm has billed the Debtors in these Chapter 11 Cases in accordance with its existing
15 billing rates for 2019 and 2020 (as applicable), as discounted for the Debtors as described in the
16 Retention Application and/or Ficks Declarations, and in accordance with procedures in effect
17 during the Interim Fee Period. These rates are the same rates Coblentz charges for services
18 rendered by its attorneys and paraprofessionals in comparable matters, less the discounts provided,
19 and are reasonable given the compensation charged by comparably skilled practitioners in similar
20 matters. The Summary Sheet filed herewith contains tables listing the Coblentz attorneys and
21 paraprofessionals who have performed services for the Debtors during the Interim Fee Period,
22 including their job titles, hourly rates, aggregate number of hours worked in this matter, and, for
23 attorneys, the year in which each professional was licensed to practice law. The Summary Sheet
24 also contains tables summarizing the hours worked by the Firm's attorneys and paraprofessionals
25 broken down by project billing code, and further broken down for each matter for which the Firm
26 is providing services to for the Debtors. Coblentz maintains computerized time records, which
27 have been filed on the docket in invoice format with the Firm's monthly fee statements and
28 furnished to the Debtors, counsel for the Creditors' Committee and the TCC, the U.S. Trustee, and

the Fee Examiner in the format requested by the Interim Compensation Procedures Order, and/or in the format requested by those parties.

D. Voluntary Discounts and Write-Offs Coblentz Previously Provided to the Debtors Related to Fees and Costs Incurred During the Interim Fee Period

The fees and costs for which Coblentz requests approval and payment under this Interim Fee Application are net of \$160,468.17 in voluntary fee and cost reductions that Coblentz already has provided to the Debtors in connection with the Interim Fee Period: (1) as pre-invoicing write-offs Coblentz provided to the Debtors prior to issuing the invoices; (2) as agreed hourly rate discounts Coblentz provided to the Debtors, as approved under the Retention Order; and/or (3) in order to avoid billing for fees or costs that may have been inconsistent with applicable Orders, Guidelines, or the Protocol in these Bankruptcy Cases. This \$160,468.17 reduction consists of the following:

- Coblentz's previously agreed reduced rates in these Special Counsel matters resulted in a reduction of \$137,371.34 in legal fees from Coblentz's standard hourly rates for the services performed for the Debtors during the Interim Fee Period;
- Coblentz reduced its professional hours spent in these Special Counsel matters during the Interim Fee Period in its draft invoices prior to issuing the applicable invoices, resulting in a voluntary reduction of \$19,898.70 in legal fees;
- Coblentz wrote-off \$179.10 in costs incurred during the Interim Fee Period prior to issuing applicable invoices; and
- Coblentz provided a previously agreed volume discount of \$3,019.03 to the Debtors for land conservation work performed during the Interim Fee Period.

E. Budget and Budget-to-Actual Performance

Debtors provide annual budgets to Coblentz for some (but not all) of the matters Coblentz handles for them. These budgets are subject to periodic review and adjustments by the Debtors during the course of each year. To the extent the Debtors have provided current budgets to Coblentz for the matters Coblentz is handling for it, Coblentz has not exceeded those budgets

1 during the Interim Fee Period. The Debtors have not yet provided 2020 budgets for most of the
2 matters Coblentz is handling for them to Coblentz, however.

3 JURISDICTION

4 This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. sections 157 and
5 1334. This is a core proceeding pursuant to 28 U.S.C. section 157(b). Venue is proper before this
6 Court pursuant to 28 U.S.C. sections 1408 and 1409.

7 PROJECT BILLING AND NARRATIVE STATEMENT OF SERVICES RENDERED

8 During the Interim Fee Period,² Coblentz professionals expended 1,470.80 hours on behalf
9 of the Debtors. Of this, 825.50 hours were expended by partners and of counsel, 458.80 by
10 associates, and 186.50 by paraprofessionals. Under this engagement, Coblentz's attorneys who
11 billed during the time period covered by this Application billed at discounted hourly rates ranging
12 from \$334.00 to \$950.00, for a blended attorney rate of \$550.64 during the Interim Fee Period.

13 In accordance with the Interim Compensation Procedures Order, the Northern District
14 Guidelines, and the Local Rules, the Firm has classified the services it has performed for the
15 Debtors during the Interim Fee Period into the following twenty-one (21) categories, which
16 categories are segregated by the Coblentz Matter Names and/or Matter Numbers under which
17 Coblentz has invoiced the Debtors during the Interim Fee Period. Detailed time entries for the
18 following categories previously have been filed with the Court and served in accordance with the
19 Interim Compensation Procedures Order under Coblentz's Ninth through Twelfth Monthly Fee
20 Statements [Dkt. Nos. 4935, 5227, 5573, and 5959] following entry of the Retention Order.
21 Coblentz hereby incorporates those time entries into this Interim Fee Application, and refers any
22 interested party to them.

23 **I. Real Estate/Land/Conservation Easement/Eminent Domain**

24 **A. Contract Review – Real Estate/Shared Services (Coblentz Matter** 25 **No. 02898-799)**

26 This matter includes time spent on real property transactions, primarily drafting and
27

28 ² See footnote 1.

1 negotiating lease documents. During this time period, Coblenz worked on 4 new leases for
2 customer service offices, and 10 lease amendments for existing PG&E facilities and an estoppel
3 certificate and subordination, non-disturbance attornment agreement. Coblenz also prepared
4 numerous notices to landlords exercising options to extend or hold over. This matter also includes
5 time spent in interpreting leases, representing PG&E in any disputes with landlords, and
6 communicating with PG&E representatives and opposing counsel.

7 Total Hours: 151.90

Total Fees: \$100,093.80

8 **B. General Advice and Counsel – Surplus Disposition (Coblenz Matter**
9 **No. 16213-089)**

10 This matter includes time working with PG&E representatives to develop four Purchase
11 and Sale Agreement templates for the sale of PG&E surplus properties. The four templates will be
12 used in circumstances in which (1) the subject property has no or minor environmental issues and
13 no CPUC approval is required, (2) the subject property has no or minor environmental issues and
14 CPUC approval is required, (3) the subject property has environmental issues and no CPUC
15 approval is required, and (4) the subject property has environmental issues and CPUC approval is
16 required. The Purchase Agreements contain alternate provisions and numerous notes to the drafter
17 that are intended to facilitate preparation of initial drafts of Purchase Agreements by non-
18 attorneys. This matter also includes time to develop a form letter of intent for such sales.

19 Total Hours: 32.10

Total Fees: \$20,941.20

20 **C. Richmond Substation S Land Parcel (Coblenz Matter No. 16213-045)**

21 This matter reflects time devoted to PG&E's acquisition of a parcel of land adjoining
22 property currently owned by PG&E in Richmond, California. The matter includes preparing and
23 monitoring a checklist of critical dates and closing documents and coordinating due diligence
24 review with PG&E representatives. This matter required extensive title review, including analysis
25 of not only title of the subject property, but also title of private roads and an adjoining parcel
26 owned by the City of Richmond. This matter also involved negotiating with opposing counsel,
27 drafting escrow instructions, reviewing closing documents, and extensive communications with
28 the title company.

Total Hours: 89.40

Total Fees: \$43,077.20

D. Hinkley, CA Purchases (Coblentz Matter No. 02898-376)

This matter reflects time assisting PG&E in acquiring properties in Hinkley, California. During this time period, Coblentz worked on transactions with 8 different property owners. Tasks include drafting and approving Purchase Agreements as to form, reviewing title, preparing escrow instructions, and coordinating closings. This matter also includes time tracking the status of transactions, participating in bi-monthly conference calls to review pending transactions, and communicating with PG&E representatives and the title company.

Total Hours: 85.00

Total Fees: \$28,936.80

E. Local Community Energy Fire Resiliency (Coblentz Matter No. 16213-106)

This matter reflects time working with PG&E representatives to develop a form License Agreement to provide for customer resource centers located inside buildings (as opposed to outdoor venues) during Public Safety Power Shutoff Events.

Total Hours: 7.70

Total Fees: \$5,353.60

F. Lyons Land and Cattle, Merced (Coblentz Matter No. 16213-047)

This matter reflects attention to post-closing agreements following PG&E's acquisition of property for construction of a service center in Merced. The time includes finalizing a Deferred Fee Subdivision Drainage Agreement with the Merced Irrigation District, analysis of the Pipeline Construction Agreement with the adjoining property owner, discussions with counsel for such owner regarding the status of construction, and communications with PG&E representatives.

Total Hours: 15.30

Total Fees: \$10,096.40

G. General Real Estate (Coblentz Matter No. 02898-110)

This matter reflects time in tracking the status of various real estate transactions and updating a monthly status report delivered to PG&E's in-house counsel.

Total Hours: 6.20

Total Fees: \$4,017.60

H. Antioch Dunes Purchase Option(Coblentz Matter No. 16213-111)

This matter involves time devoted to PG&E's conveyance to the United States Department of Fish and Wildlife of two undeveloped parcels of land in Contra Costa County, California as part

of PG&E's compliance with its Bay Area Habitat Conservation Plan. The matter includes preparing and negotiating documentation for the conveyance, analysis of legal issues associated with the transaction, as well as coordination with PG&E business and legal staff. This matter has included semi-monthly calls.

Total Hours: 23.60

Total Fees: \$12,194.20

I. Moller Conservation Easement Option(Coblentz Matter No. 16213-112)

This matter involves time devoted to PG&E's purchase of the option right to cause conservation easements to be placed on certain parcels of land located in Alameda and Contra Costa Counties in California. Such conservation easements are part of PG&E's compliance obligations under its Bay Area Habitat Conservation Plan. The matter includes preparing and negotiating documentation for the option and the conservation easement transactions expected to follow. This matter also includes real estate title and title insurance review and coordination of closings.

Total Hours: 151.60

Total Fees: \$66,791.50

J. California Real Estate Aspects Re Debtors' Exit Financing (Coblentz Matter No. 16213-113)

This matter involves providing California real estate advice to PG&E's outside and in-house counsel in connection with potential financing so facilitate PG&E's exit from bankruptcy. Review and drafting of California real estate documents may be required.

Total Hours: 12.20

Total Fees: \$7,942.00

K. Hydro Divestitures (Coblentz Matter No. 16213-114)

This matter involves legal assistance in connection with PG&E's transfer of hydroelectric facilities in California. The matter includes drafting of conveyance documents, coordination of closing activities and California real estate legal advice. Weekly calls are held for facility transfers in the closing process.

Total Hours: 100.20

Total Fees: \$44,769.50

L. Land Stewardship (Coblentz Matter No. 02898-357)

This matter involves the implementation of PG&E's "Land Conservation Commitment"

1 pursuant to its 2003 bankruptcy settlement. The settlement requires PG&E to ensure that
2 approximately 140,000 acres of PG&E's watershed lands are protected through conservation
3 easements or similar instruments together, in some cases, with fee title transfers. The Land
4 Conservation Commitment involves roughly 100 transactions. Coblentz provided services for
5 approximately 36 transactions of these transactions during the Interim Fee Period.

6 Coblentz serves as primary transactional counsel for this matter. Coblentz's work involves
7 a broad range of tasks. Coblentz has primary responsibility for drafting, reviewing, and
8 negotiating documents such as deeds, access easements, conservation easements, donation letters,
9 environmental indemnity agreements, powers of termination, baseline documentation reports,
10 Transaction Agreements (the equivalent of a purchase and sale agreement in a sale context),
11 subdivision documentation, title reports, property descriptions, and escrow instructions.
12 Coblentz's work also involves assistance with various real estate issues associated with the
13 involved properties, including issues relating to title report items (*e.g.*, access issues, title
14 encumbrances, subdivision issues, third party rights), leases, licenses, and permits. Once
15 documents have been drafted and negotiated, Coblentz assists with PG&E's internal approval
16 process, providing final documents, legal approval of such documents as to form, and providing
17 transaction summaries for review by PG&E personnel approving PG&E's execution of such
18 documentation. After regulatory approval, Coblentz is responsible for preparing and/or reviewing
19 the final conveyance documents and coordinating the closings. Coblentz participates in regular
20 teleconferences and meetings with PG&E representatives to review the portfolio of pending
21 transactions, discussing the status of transactions, identifying issues to be pursued, and updating a
22 schedule for completion of deliverables by the PG&E and other participants in the transactions.

23 Total Hours: 202.30

Total Fees: \$130,615.39

24 **M. LCC Conservation Easement Compliance (Coblentz Matter No. 16213-058)**

25 Ownership of certain of the properties covered by PG&E's Land Conservation
26 Commitment are retained by PG&E, and such properties are encumbered by conservation
27 easements entered into by PG&E with the holders of such easements (*e.g.*, non-profit conservation
28 organizations). The conservation easements require PG&E to perform certain obligations (*e.g.*,

1 annual reporting and consultation with the easement holders), and restrict certain activities on the
2 properties. Coblentz is the primary outside counsel assisting PG&E in its performance of these
3 duties. This work includes assistance with PG&E's annual reporting and consultation
4 requirements, including review of annual reports and advice on how PG&E's duties should be
5 satisfied. Coblentz also provides assistance with the interpretation of conservation easement
6 provisions and the development of policies relating to the performance of duties under such
7 conservation easements.

8 Total Hours: 15.20

Total Fees: \$10,539.98

9 N. **Marina Project, San Francisco (Coblentz Matter No. 02898-465)**

10 This matter reflects time drafting a form Purchase Agreement Addendum adding tax
11 proration provisions particular to PG&E.

12 Total Hours: 1.70

Total Fees: \$1,101.60

13 O. **Real Property Sale Pre-Work (Coblentz Matter No. 16213-115)**

14 This matter reflects time devoted to developing form brokerage agreements and compiling
15 lists of due diligence materials to be assembled in anticipation of the sale of PG&E properties.

16 Total Hours: 20.60

Total Fees: \$13,500.00

17 P. **Black Ranch Road, Burney (Coblentz Matter No. 16213-117)**

18 This matter reflects time drafting a purchase agreement for PG&E to acquire vacant land
19 for expansion of an existing PG&E service center, and preliminary title review.

20 Total Hours: 6.3

Total Fees: \$3,842.20

21 Q. **Windy Hollow, Mendocino PSA (Coblentz Matter No. 16213-118)**

22 This matter reflects time devoted to drafting and negotiating a purchase agreement for
23 PG&E to acquire land in Mendocino County in connection with satisfaction of PG&E's Bay Area
24 Operations and Maintenance Habitat Conservation Plan.

25 Total Hours: 12.00

Total Fees: \$4,927.60

26 R. **Sonoma County Conservation Easement (Coblentz Matter No. 16213-120)**

27 This matter reflects time drafting an option agreement to acquire a conservation easement
28 in property located in Sonoma County to offset impacts from a long term Take Permit and help

satisfy PG&E's Operations and Maintenance Habitat Conservation Plan. The Exhibits to the Option Agreement include a form of conservation easement and form of management plan.

Total Hours: 18.10

Total Fees: \$12,670.00

II. Litigation, Including CPUC, Regulatory, and Investigative

A. CPUC Regulatory Investigation (Coblentz Matter No. 16213-056)

Coblentz's work on this matter during the Fee Period has included assisting Debtors and their bankruptcy counsel in the preparation of a motion for approval of the Settlement Agreement resolving this CPUC matter for filing in the Bankruptcy Court, and analyzing preservation and retention issues in anticipation of the matter being closed.

Total Hours: 9.20

Total Fees: \$4,600.00

B. PG&E v. DWR / Oroville Dam Crisis Litigation (Coblentz Matter No. 16213-060)

Coblentz's work in this litigation matter during the Fee Period has included traveling to Sacramento for, and participation in, case management conferences, and telephonically participating in various case management and discovery conferences involving the coordinated plaintiffs and DWR. Coblentz also has reviewed, analyzed, and revised various joint discovery and case management materials common to the coordinated plaintiffs. Coblentz also has monitored and analyzed various pleadings submitted by the coordinated plaintiffs and DWR for relevance to PG&E's claims in the matter.

Coblentz's work in this matter also has included telephonically attending depositions of DWR personnel and analyzing the strategic implications of information developed through these depositions. Coblentz has also devised search strategies for identifying and analyzing the most relevant materials among supplemental discovery materials produced by DWR in the coordinated proceedings, as well as materials used in various depositions in the matter, and has analyzed key subsets of those materials. Coblentz also reviewed and produced discovery from the utility in response to discovery requests from DWR. Coblentz also has negotiated the terms of certain discovery matters with DWR. Coblentz also has assessed and retained an expert and has worked with the expert on the review of relevant materials and the development of a potential opinion in

the matter.

Total Hours: 421.90

Total Fees: \$167,524.90

III. Bankruptcy Special Counsel-Related Services (Coblentz Matter No. 16213-101)

Total Hours: 77.10

Total Fees: \$48,970.70

The following sub-category calculations of the Total Hours and Total Fees stated immediately above were made by best effort *manual* sub-categorization and sub-calculation. They are good faith calculations.

A. Coblentz Eighth Through Eleventh Monthly Fee Statements

This sub-category relates to work preparing Coblentz's Eighth through Eleventh Monthly Fee Statements, including communications with the Fee Examiner's office and the United States Trustee, and related communications, and including preparing invoice reductions as described above.

Total Hours: 19.5

Total Fees: \$12,464.40

B. Coblentz First Interim Fee Application

During the Interim Fee Period, the Firm prepared its First Interim Fee Application. Most of Coblentz's work related to the First Interim Fee Application was performed during this current Interim Fee Period.

Total Hours: 26.1

Total Fees: \$16,250.00

C. Coblentz Retention and Disclosures Issues

Coblentz prepared supplemental case filings regarding its retention as Special Counsel during the Interim Fee Period. Coblentz also reviewed supplemental conflicts check materials received from the Debtors' Chapter 11 counsel for potential further disclosures by Coblentz in the Bankruptcy Cases, investigated potential connections and disclosures related thereto, and prepared applicable supplemental disclosures for filing with the Court. Coblentz also addressed and disclosed rate changes, and addressed and resolved scope of engagement and Special Counsel matter-specific inquiries regarding additional Special Counsel matters the Debtors requested Coblentz to undertake.

Total Hours: 13.1

Total Fees: \$8,623.00

D. Fee Examiner Motion for Approval of Fee Protocols

During the Interim Fee Period, the Firm reviewed and analyzed the Fee Examiner's Motion for Approval of Fee Protocols, participated in a joint opposition re same, and attended a hearing on same.

Total Hours: 6.4

Total Fees: \$3,987.20

E. Fee Examiner Comments to Coblentz First Interim Fee Application and Resolution Thereof

During the Interim Fee Period, the Firm received comments and detailed spreadsheet analysis of its First Interim Fee Application from the Fee Examiner. The Firm engaged in a series of discussions with the Fee Examiner and his counsel, which resulted in a negotiated resolution of the Fee Examiner's Comments, and a voluntary reduction to the amounts sought in the Firm's First Interim Fee Application, which negotiated resolution has since been submitted to the Court for approval.

Total Hours: 5.9

Total Fees: \$3,829.60

**EXPENSE SUMMARY
OCTOBER 1, 2019 THROUGH JANUARY 31, 2020**

During the Interim Fee Period, the Firm advanced costs on behalf of the Debtors in connection with the discharge of the duties described in the Interim Application. During the Interim Fee Period, Coblentz incurred a total of \$11,092.98 in expenses. These expenses are further specified on the last page of the Summary Sheet filed herewith, and are reasonable and necessary to the Special Counsel services Coblentz has provided. Receipts for all significant expenses have been provided to the Debtors and to the Fee Examiner.

LEGAL BASIS FOR INTERIM COMPENSATION

The professional services for which Coblentz requests interim allowance of compensation and reimbursement of expenses were rendered and incurred in connection with the Special Counsel matters for which Coblentz has been employed, and in the discharge of Coblentz's professional responsibilities as Special Counsel for the Debtors during these Chapter 11 Cases.

1 Coblentz's services have been necessary and beneficial to the Debtors and their estates, creditors,
2 and other parties in interest.

3 In accordance with the factors enumerated in section 330 of the Bankruptcy Code,
4 Coblentz respectfully submits that the amount requested by Coblentz is fair and reasonable given
5 the complexity of these Special Counsel matters, the time expended, the nature and extent of the
6 services rendered, the value of such services, and the costs of comparable services other than in
7 connection with a case under the Bankruptcy Code. Moreover, Coblentz has reviewed the
8 requirements of the Interim Compensation Procedures Order, the Northern District Guidelines,
9 and the UST Guidelines, and believes that the Interim Application substantially complies with
10 those documents, except as follows:

11 A. The project categories described in the Interim Application sometimes include fees
12 beyond the generally applicable \$20,000 project billing threshold (Court Guideline For
13 Compensation I.3.) due to the impracticality of further breaking-out the categories, the cost/benefit
14 balance of further dissecting these categories especially in light of the narrow margin above the
15 ordinary course professional threshold that has caused Coblentz to undertake participation in
16 Special Counsel procedures and requirements, as opposed to being considered an ordinary course
17 professional in these cases, and Coblentz's relatively small role in these Bankruptcy Cases, relative
18 to larger firms handling larger parts of the cases;

19 B. Time entries in this Interim Fee Application include some time (approximately 3.9
20 hours resulting in \$2,510.50 in fees) for revising and reducing proposed invoices prior to issuance
21 of the invoices in order to try to conform the fees and costs therein to the applicable Guidelines
22 and requirements. Coblentz requests that these fees be allowed for the same reasons as set forth in
23 Item A, above; and

24 C. Time entries during the Interim Fee Period include time related to the extensive
25 supplemental conflicts checks and review required in these large Bankruptcy Cases. Coblentz
26 requests that the Court approves the fees for these time entries for the same reasons set forth in
27 Item A, above.

28 To the extent the fees or costs for which Coblentz seeks approval herein are inconsistent

1 with the Revised Fee Examiner Protocol (the “**Protocol**”) [Dkt. No. 4473-1], Coblentz, for the
2 reasons set forth above, objects to the Protocol pursuant to the procedure established in the Notice
3 of Filing of the Protocol [Dkt. No. 4473] at pg. 2-3.

4 **AVAILABLE FUNDS**

5 The Firm understands that the Debtors’ estates have sufficient funds available to pay the
6 fees and costs sought herein.

7 **NOTICE**

8 Notice of the Interim Application has been provided to parties-in-interest in accordance
9 with the procedures set forth in the Interim Compensation Order. Coblentz submits that, in view
10 of the facts and circumstances of these Chapter 11 Cases, such notice is sufficient and no other or
11 further notice need be provided.

12 **CONCLUSION**

13 Coblentz respectfully requests allowance of compensation to Coblentz in the amount of
14 \$748,895.37, and allowance of actual and necessary expenses in the amount of \$11,092.28, for a
15 total allowance of \$759,988.35. Coblentz further respectfully requests authorization for the
16 Debtors to pay the previously held-back amount \$149,779.08 (20% of the allowed fees), and for
17 such other and further relief as this Court deems proper.

18 DATED: March 14, 2020

Respectfully submitted,

19 COBLENTZ PATCH DUFFY & BASS LLP
20

21 By: /s/ Gregg M. Ficks
22 Gregg M. Ficks
23 Special Counsel to Debtors
24 and Debtors in Possession
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NOTICE PARTIES

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